Dy 71 & Laluvr (1927) Departm

Mo. SERIES.

G.O. No. 2-571-717

DATED 8-11-27

[Despatch Abstract.]

Stores - Kellary Water supply Scheme - Local purchase - Steel (lined) pipes - Irregularity - Condemned

C.F. 32

Public Works DEPARTMENT.

In reply, please quote number date and short title *

Received ..... *Registered* .....

From (Name) W.G. Molesworth, Esq.,

(Designation) Chief Engineer, P.W.D. (General, Buildings & Roads)

Post Box 410, (Station) Madras

Telegraphic Address Cegbar

SECRETARIAT 27 SEP 1927 26H898 PUBLIC WORKS DEPT.

To The Secretary to Government,

Public Works and Labour Department.

No. 1804 Ac, *dated* 21st Septr. 1927.

Sir, 27-4

*

ENCLOSURES .....

SPARE COPIES .....

Accounts - Inspection Report - Bellary Division - March 1927 - Item 8 - Bellary water supply scheme - Steel flanged pipes - Local purchase - Irregular.

I forward herewith a copy of para 8 of the Accounts Officer's report of inspection of the accounts of the Bellary Division in March 1927, wherein it is pointed out that in view of the irregularity committed in the case, the sanction accorded in G.O., No.196 W., dated 15th February 1926 to the local purchase of the steel flanged pipes required for the Bellary water supply scheme is not in order and that fresh sanction of Government is necessary, under the Stores rules, to condone the irregularity.

2. The facts of the case, as ascertained from the Superintending Engineer, Madras Circle, are given below:-

In April 1925, orders were issued by the Chief Engineer to the Superintending Engineer that the laying of the pumping main should be pushed on with all possible expedition. He thereupon called for tenders locally for the steel pipes required for the works and on receipt of some tenders, accepted on 25th August 1925 the lowest tender of Walker & Co. In September 1925, a draft agreement for the supply of the pipes was prepared and sent to the Company for acceptance. It was then understood that the pipes offered by the company were not in India at the time but

but had to be obtained by them from England. The Superintending Engineer therefore stayed the execution of the agreement, as the condition (viz., that the articles should be in India at the time of the order) in rule 5 of the old Stores rules, under which it was proposed to make the purchase, was not fulfilled.

But as the Superintending Engineer had accepted the tender of the firm and thereby definitely committed himself to placing the order for the pipes with them, he could not go back upon the transaction and make arrangements for obtaining the required pipes by indent on the Director General of Stores, London, without involving in serious legal difficulties.

In the circumstances, the Superintending Engineer thought it fit to wait till the condition required in the Stores rules was fulfilled, i.e., till the pipes of Walker & Co. had actually arrived in India. In January 1926, the pipes arrived and the Superintending Engineer thereupon applied for the sanction of the Government to the local purchase, which was accorded in G.O., No.196 W., dated 15th February 1926.

3. As everything was done in good faith. I recommend that orders of Government may be issued condoning the irregularity that occurred in this case. I am, however, informing the Superintending Engineer -

(i) that before he accepted the tender of the firm he should have satisfied himself that the conditions laid down in the Stores rules were fulfilled and should also have obtained the sanction of the Government to the local purchase, and

(ii) that such an irregularity should not recur.

for Chief Engineer, P.W.D.

Enc.- Copy of para 8 of the Inspection Report.

E.G.22-9-27

Extract from the Inspection Report of the Assistant Accounts Officers on the Accounts of the Bellary Division in 1927.

Para 8 .- Irregularity in the local purchase of stores.

BELLARY WATER SUPPLY SCHEME :-- For Steel, Flanged pipes required for the Bellary Water Supply Scheme tenders were called for by the Superintending Engineer, Madras Circle and that of Messrs. Walker & Co., Madras, Agents for Messrs. Stewards & Lloyds Ltd., Calcutta was accepted by him for a total sum of Rs.23,829 in August 1925 and order also placed on the firm on 25th August 1925.

In Superintending Engineer's letter dated 23rd January 1926 the firm was told that sanction of Government would be necessary for the local purchase of the pipes of European Manufacture and that the application could be sent up only on receipt of intimation from them of the receipt of the pipes in India. When the pipes were reported to have been received in India the Superintending Engineer sent up an application on 23rd January 1926 to the Chief Engineer stating therein that as serious inconvenience would be caused by waiting to obtain these articles from England they were arranged to be purchased locally and that at that time they were available in India.

Since, within the period the Company obtained the articles from England, it would not be impossible to have got them through the Director General of Stores, had the Indent been sent up in August 1925 vide rule 9 of Old Stores Rules, the ground of urgency adduced for the local

purchase does not appear to be justifiable.

The action of the Superintending Engineer in first placing an order in India before obtaining sanction to their local purchase when it was necessary and his waiting to submit the necessary application until after the articles were received in India was irregular. Government accorded sanction to the local purchase under Rule 5 in G.O.No. 196-W., dated 15th February 1926; but since the pipes were neither in India nor on their way out to India at the time when the Superintending Engineer first placed his order on the local firm viz. on 25th August 1925 the sanction accorded by Government does not appear to be in order. Fresh sanction of Government appears necessary to condone the irregularity under Rule 12 of the New Stores Rules.

B

? Ex Engrs remarks thereon

Para 8 . No remarks.

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Bellary water supply scheme - Local purchase of steel flanged pipes - Irregularity.

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GNO 14898c From the CE (Gl Roads) No 1804 A/27 dt 24.9.27

The facts of the case are clearly stated in the CE's letter. The Govt may agree with the CE that the SE's action in having moved for the pipes which the articles were not in India was done in good faith and may condone the irregularity, with reference to rule 12 of the Stores Rules in Appx 15, Vol II, Madras Fin & Acct Code. The facts now ~~reported~~ stated should have been reported when sanction to the local purchase was applied for & this correspondence avoided. It should not have been left to the audit officer to point out the irregularity. A draft order in these terms is put up. It may be sent to Finance for acceptance. ~~Before issue~~

15.10.27

34742 C.T.P
18.10.27

ASSISTANT SECRETARY TO THE GOVT OF MADRAS
12 OCT 1927

Mad Secy No 14898c/27.1
12.10.27

RLY
15.10.27

Fin 17.10.27

2

Finance (G&P)

The draft order may be accepted and the file returned to the P.W. + Labour Deptt.

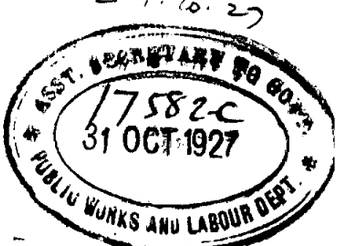
28.10.27.

PWD

PWD

31.10.27.

Fwi. U.O.No. 34742 G&P-1
29.10.27



6/11/27

cinc. 1/11

Rtd: 7.11.

69/811

Sectt. II-5 (a)—28,703—6-12-24. (6)

PUBLIC DEPARTMENT.

	Date.	Initials.
When received for Fair-copying		
When copied	8/11	8-11-27.
When examined		
When signed		
When despatched		

Subject - Bellary water supply Scheme - Local purchase - Steel flanged pipes - Irregularity condoned.

READ AGAIN G.O. No. 196 W, dated 15.2.26 Pay O ~~192~~.

" " " " " " ~~192~~.

READ ALSO:—

C. No. 14878 From the CE (GENERAL), No. 1822 AC/27-4 dated 21.9.1927

" " " " " " 192

" " " " " " 192

ORDER.

No. 2571 W dated 8-XI-192

His Excellency the Governor in Council is satisfied that the action of the S.E., Madras Circle, in having placed in August 1925 an order for steel flanged pipes for the Bellary water works with a firm in India when the articles were not in India was done in good faith and is accordingly pleased to condone the irregularity under rule 12 of the rules for the supply of articles for the public service printed in Appx 15, Vol II, of

of the Madras Financial Account Code. ~~They observe~~ 2. However that the facts now stated should have been reported to Govt. when sanction to the local purchase was applied for, and it should not have been left to the audit officer to point out the irregularity.

15.10.47

PLG 15.11.47

17/11

Dy No SIV 9/11

To the CE (Elec. Rlys)

~~[illegible]~~

" " AG Madras thro the Finance Dept.